



Housing Authority of the City of Alameda

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MINUTES

SPECIAL MEETING OF THE HOUSING COMMISSION OF THE CITY OF ALAMEDA HELD MONDAY, OCTOBER 2, 2006

The Commission meeting was called to order at 4:06 p.m., with Chair Gormley presiding.

PLEDGE OF ALLEGIANCE

1. ROLL CALL

Present: Commissioner Balde, King, Kurrasch, Trujillo and Chair Gormley.

Absent: None.

2. CONSENT CALENDAR

Commissioner Kurrasch moved to adopt the Consent Calendar. Commissioner Trujillo seconded. Motion carried unanimously. All items accepted or adopted are indicated with an asterisk.

*2-A. Minutes of the Housing Commission Special Meeting held August 28, 2006. Minutes accepted.

*2-B. Budget Variance Report. This report was accepted.

*2-C. Revising the Housing Authority's Administrative Plan. The Housing Commission recommended adding to the Project Based Voucher Program chapter of the Administrative Plan language that would:

1. Define supportive services and
2. Provide for selection of families from the waiting list that are eligible for specific unit sizes and seniors for seniors-only units.

*2-D. Revised Utility Allowances for Esperanza. The Housing Commission approved the proposed schedule of utility allowances.

3. AGENDA

3-A. Recommendation to the Board of Commissioners to Accept a 2.51 acre Parcel from the Community Improvement Commission and to Authorize Staff to Enter into a Long-Term Lease and Development Agreement and/or Owner Participation Agreement with Resources for Community Development for the Development of 39 units of Affordable Rental Housing. Staff provided an update to the Commission regarding the proposed 39-unit Apartment development on Wilver "Willie" Stargell Avenue.

Tax credits are the recommended source of funding for the development. A tax credit partnership will be formed with Resources for Community Development as the general partner and the tax credit investors as the limited partners to build and operate the 39-unit project for 15 years. Federal tax law requires this 15-year "recapture period" during which tax credits can be revoked if the affordable housing project is not properly managed. Operation Dignity must defer its rights to the project for that period.

of time. Staff clarified that this has been the primary issue of the law suit filed by Operation Dignity against the City entities, which had been resolved earlier in the month. The resulting Implementation Agreement reserves the rights of RCD and the Housing Authority to enter into a separate Development Agreement regarding the Housing Authority's role in the development of the 39-unit project. It may be possible to incorporate these issues into the Owner Participation Agreement that will be negotiated between the parties. The Housing Authority has maintained an interest in gaining additional tax credit development experience, having input throughout the design process, exploring a possible role in bond issuance for the development and receiving appropriate compensation. In addition, RCD will apply to the Housing Authority for project-based Section 8 vouchers for a minimum of 25% of the development.

In preparation for the October 3rd Board of Commissioners meeting the Housing Commission was asked to recommend approval of a quitclaim deed assigning all of the legal or equitable rights the CIC has in the property to the Housing Authority. Once the Housing Authority owns the property, the State Housing and Community Development Department requires a minimum 65-year lease to demonstrate site control for funding applications to be considered. Therefore, the Housing Commission was asked to consider a long term ground lease. Pursuant to Federal Affordable Housing Tax Credit financing, improvements on the land during the lease term shall be the property of RCD for a minimum of 15 years to comply with tax credit regulations. At the end of the first 15 years, the Housing Authority has the option to purchase the improvements or the general partnership interest will be assigned to the Housing Authority by RCD, at which time the Housing Authority will enter into a Legally Binding Agreement (LBA) with Operation Dignity to manage the project for no more than 44 years. The rental project shall also be subject to a Marketing, Leasing and Management Plan that shall be developed by RCD and will be consistent with pertinent Housing Authority rules, policies and procedures. RCD, and later Operation Dignity, will indemnify the Housing Authority against all claims and will fully insure the development.

Chair Gormley expressed her concern regarding the impact this project will have on traffic congestion. Executive Director Pucci reminded the Commission that the West End will be full again, but not to the size it was in the past. He summarized the primary funding as a tax credit program for the first fifteen years. This project will be similar to the 52 unit project with the Housing Authority acting as the land owner and Resources for Community Development as the developer. Commissioner Kurrasch moved recommending the following:

1. Recommend to the Board of Commissioners to accept the 2.51-acre parcel from the CIC.
2. Recommend to the Board of Commissioners to authorize staff to enter into a 75-year ground lease with Resources for Community Development and negotiate a Development Agreement and/or Owner Participation Agreement with Resources for Community Development for the development of 39 units of affordable rental housing.

Commissioner Balde seconded. Motion carried unanimously.

3-B. Recommending Revising the Housing Authority's Budget. Commissioner Kurrasch moved that the Housing Commission recommend to the Board of Commissioners to:

1. Approve the proposed budget revision,
2. Adopt the proposed resolution revising the budget for the Conventional Low-Rent Housing Program No. CA-062 (Esperanza)

Commissioner Trujillo seconded. Motion carried unanimously.

4. ORAL COMMUNICATIONS

None.

5. COMMISSIONER COMMUNICATIONS

Commissioner King asked questions about Alameda Point, Beltline and The Landing.

6. ADJOURNMENT

There being no further discussion, Chair Gormley adjourned the meeting at 4:55 p.m.

Nancy W. Gormley, Chair

Attest:

Michael T. Pucci
Executive Director / Secretary